

USAID/Mozambique
ANNUAL REPORT FY 2003

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A. Program Level Narrative

Program Performance Summary:

Background: Mozambique continues to be held in high regard internationally as a model of war-to-peace transition. The country's success is reflected in its ability to sustain strong economic growth - GDP growth of 14.8% in 2001 and 10% projected for 2002. Behind solid and increasingly progressive leadership, the country continues to press forward with economic and political reforms in the face of substantial development challenges.

Per capita annual GDP remains at roughly \$225. A severe drought hit southern Mozambique, compounding the daily challenges faced by many rural households. Sixty percent of adults are illiterate. Despite increased vaccination rates and better access to basic health services, life expectancy remains 46 years. Given this difficult context, even if Mozambique can successfully reduce the incidence of HIV/AIDS in the medium term, the present prevalence rate of 12.6% will eventually translate into large costs for the economy and society. Perhaps just as troubling, without factoring in HIV/AIDS, Mozambique's mortality rate for children under the age of five ranks among the worst in Africa. In the face of these challenges, donor resources and private investment are needed if Mozambique is to maintain its growth, reduce poverty, and stem the spread of HIV/AIDS.

In 2002, the economy returned to the single digit inflation and double-digit growth that had been interrupted in 2000/2001 by floods and a banking crisis. There was also progress on the structural, or micro, reforms that are needed if Mozambique is to achieve its Poverty Reduction Strategy goal of realizing a significant reduction in poverty by maintaining high rates of growth. The economy opened further in 2002 with merchandise trade increasing as a percentage of GDP (from 40.7 % to 50.4% TO 63.9% - FY 2000, 2001 and 2002 respectively) and exports doubling since 2000 reflecting the governments success in attracting major new investments, particularly in the processing of aluminum and natural gas.

While the 1990 Constitution established multi-party democracy, a multi-party parliament, an independent judiciary, and opened space for civil society and independent media, it has taken many years for reforms to be implemented because of the deep attitudinal and institutional barriers to democratic governance developed over 30 years of revolutionary/civil war and 400 years of colonial occupation. Since 1992, the country has maintained peace. National institutions have functioned and three elections saw citizens voting enthusiastically and peacefully. However, Mozambique continues to face significant governance challenges. Opposition parties lack the requisite skills and resources to compete effectively or serve the public's interest constructively. The legal system functions at a minimal level. Transparency, legislative oversight, and internal control systems are developing, but in general remain weak. Freedom of information and expression are constrained by poverty, illiteracy, and political influence of the media. Even though progressive and strong ministers are leading several key ministries, most government institutions remain inefficient, overly centralized, and under-financed.

With municipal elections slated for 2003 and national elections in 2004, and political tension still high due to continuing claims of election fraud in the 1999 national election, there is ever increasing pressure to carry out elections that hold up to international standards of freedom and fairness. The growing concern among Mozambicans from all facets of society over high levels of petty and grand corruption give emphasis to the urgency to increase the effectiveness of civil society, transparency, and government accountability. The backdrop of peace and economic growth provide an opportunity to focus more intently on "mainstreaming" democratic practices and principles so that more opportunities and choices, both political and economic, are created for Mozambicans.

US Interests and Goals: Mozambique's importance in providing ocean access to global markets for several landlocked countries and its proximity to the industrial heartland of South Africa, underscore the fact that political stability and economic growth in Mozambique contribute to U.S. national interests of peace, stability, and economic growth throughout Southern Africa. As a rapidly growing economy,

Mozambique is potentially a market for U.S. exports and there are significant U.S. investment opportunities in agriculture, fisheries, minerals, and natural gas development.

The USAID/Mozambique program promotes U.S. interests in Mozambique and in sub-Saharan Africa and directly contributes to all Agency pillars. USAID assistance supports U.S. Mission goals through implementation of the following strategic objectives: (i) increasing rural household incomes; (ii) strengthening the effectiveness of the governance partnership between government and civil society; (iii) increasing the use of basic health services, including HIV/AIDS behavior change and awareness activities; and (iv) improving the enabling environment for private sector led growth.

USAID implements activities at the community level to improve family and social welfare, increase incomes and build economic assets. At the national level, USAID promotes the reduction of conflict through national dialogue, parliamentary consultations, and anti-corruption programs. On the economic level, USAID supports reforms that increase employment opportunities for the poor, diversify economic interests, and directly build capital assets among the rural poor. The important field-based programs are implemented in the central-northern area of the country where over 50% of the total population of 16.9 million reside. The target population is overwhelming rural, relying almost exclusively on agricultural activities for their livelihood.

The Department of Justice, State Department, and the Federal Bureau of Investigations are all working together with USAID to deliver important anti-corruption assistance.

Donor Coordination: Donor coordination working groups are active in all of USAID's strategic areas. A common and important aspect is Mozambican Government leadership of each working group. USAID is partnered with the World Bank, the European Union, and other bilateral European donors in close cooperation with the Ministry of Agriculture, to improve agricultural policy and restructure the agricultural public sector. USAID remains a leading member of the Ministry of Health-chaired donor working group that includes Canada, the Netherlands, the EU, Japan, the World Bank and several other European Governments. USAID and the World Bank continue to implement complementary efforts to improve the environment for private sector growth. Of particular note are ten public-private forums to discuss and develop policies that foster private sector-led growth and development.

Challenges: Since 1999 the Mission has made important shifts in implementation approaches and partnerships, responding to emerging opportunities and demands to enhance Mozambican leadership and responsibility within the USAID program. These shifts included putting in place new mechanisms and procedures (e.g. joint Government of Mozambique (GRM)-USAID oversight and authorization of all activities). This reporting period witnessed the first year of actual field activities for several grants and contracts resulting in new or changed implementation partners; therefore new indicators or reset baselines were established and some missed targets due to delays in start-up recorded. USAID/Mozambique has, however, been able to adequately document a high-level of performance and success.

USAID/Mozambique is now embarking on a transition from the current strategy to a new country strategy being designed for 2004 through 2010. Mozambique's progress in each of our strategic areas has created opportunities to move our program forward and achieve even greater success in reducing poverty, promoting economic growth, fighting the spread of HIV/AIDS, improving the health status of mothers and children, and consolidating Mozambique's democratic transition.

Key achievements:

FY 2002 marked a year of good progress with almost all strategic objectives performing at or above expectations. Significant gains were made in rural income growth; enhancement of sustainable agricultural production; policy reform in trade and telecommunications; tackling corruption in the government domain; addressing the daunting HIV/AIDS pandemic in Mozambique. The challenge in the coming year will be to create a smooth transition into a new strategy by building on our successes and linking our program even more closely to Mozambican priorities and leadership.

1. Increased rural household income in focus areas: Under this strategic objective (SO), U.S. interests are addressed by promoting basic economic development, increased incomes, and food security. The program is increasing household income by opening access to domestic, regional and global markets, expanding the number and reach of rural enterprises, and increasing and diversifying sustainable agricultural output in the focus area where over 9 million inhabitants live. Serving neighboring countries ravaged by the regional drought, farmers in the focus areas registered almost a three fold increase in maize exports. Agricultural extension and producer association market activities of the USAID program promoted technologies to increase crop yields and improved access to markets. Farmers in three private voluntary organization (PVO) program areas achieved an average maize yield of 1.66 metric tons per hectare (mt/ha) for the 2002 season as measured by actual crop cuts. This is nearly double the average maize yield of 0.897 mt/ha that FAO reported for Mozambique in FY 2001 and slightly exceeds the USAID target of 1.44 mt/ha.

Rural enterprises continued to grow and prosper in the focus area. Access to formal sector credit, the first such credit of its kind since post-colonial independence, allowed one group of rural enterprises to increase sales per member by more than 60%, from \$67 to \$107.

Key to the sustainability of achievements in rural income growth was the success marked by the GRM's agricultural sector investment program, ProAgri. ProAgri overall met the target of assisting a complex institutional restructuring process. ProAgri continued to facilitate agricultural marketing in 2002. The government has relaxed administrative constraints to internal commerce and exports at the district and provincial levels. Previous practices prohibited or severely restricted the marketing of food staples such as maize across the border. The Ministry of Agriculture recorded important progress in participatory planning and financial management, with program funds allocated and released to provinces in a timely manner and with few problems.

Under funding provided by USAID, FY 2002 marked the completion of an all-weather 240 kilometer stretch of the principal north-south highway between Caia and Gorongosa. Through USAID's program of road and bridge rehabilitation and maintenance this route which had not been completed before independence and which was rendered impassible by the civil war was reopened. Farmers and other residents of the road impact zone have found new markets for sales of maize, cotton, beans, sesame, and honey.

2. Effective Government-Civil Society Partnership: This SO supports the consolidation of democracy through more effective participation by civil society, and increasing the capability and accountability of government institutions. On-track performance can be attributed to gradual improvements in the performance and receptiveness of beneficiary institutions over the strategy period. With USAID assistance, the Attorney General's Office put its Anti-Corruption Unit to work and the team began investigating its first corruption cases in 2002. Parliament held a two-day forum with civil society and donors on corruption and transparency and drafted new anti-corruption legislation that is on its agenda for the next sitting. A local non-governmental organization (NGO), Etica Moçambique, emerged with the aim of raising awareness and generating a social response to the more visible problems of corruption. USAID provided both institutional development and project support that enables this fledging organization to address the petty and public sector corruption, directly affecting the majority of Mozambicans. USAID continued to be the only donor supporting these efforts. Data for FY 2002 reflected a 24% increase over FY 2001 in the level of media reporting of government misconduct. Media reports during the year emphasized human rights violations (16 cases, up from 11 last year) and inappropriate use of power (12 cases, down from 15 last year), with substantially more reporting of cases involving misuse of public funds (eight cases, up from three last year).

3. Maternal and Child Health: This SO seeks to increase the use of improved, basic maternal and child health services, including those related to reproductive health and HIV/AIDS by improving access to and demand for services and by strengthening the management of decentralized services. USAID, through this program, ensures that basic health services are available the maximum number of rural poor who comprise over 80% of the population. The implementation of HIV/AIDS activities continued on a successful course. In FY 2002, total sales of USAID funded socially marketed JeitO condoms reached

14,215,760, significantly exceeding the target of 11,500,000. This occurred at a time when free distribution condoms also skyrocketed. Furthermore, USAID-funded behavior change activities and events reached an estimated 473,000 youth. The two Voluntary Counseling and Testing (VCT) centers opening in 2001 served less than 500 clients, but the 27 VCT centers now functioning (11 were planned FY 2002) served 24,206 clients. USAID funded four of these new centers, as well as social marketing of VCT services and intends to fund an additional two sites in FY 2003 due to high demand for the services.

During 2002, USAID-funded technical assistance to the National Aids Council (NAC) has established a modern, software-based financial management system responsive to the Council's decentralized operations, as well as procedures for the administrative systems (such as personnel management and fixed asset control) that are critical to ensuring the financial system's integrity. These auditable transparent management systems have so enhanced the Council's institutional credibility and capacity that it now manages a multi-donor, multi-million dollar "common fund" for HIV/AIDS activities. In two short years, USAID's \$2.5 million investment in the National AIDS Council has leveraged more than \$70 million in donor resources to help Mozambique fight the HIV/AIDS battle.

USAID continues to provide funds to a Mozambican foundation to implement the Maputo Corridor Aids Project. The Foundation for Community Development (FDC) began field activity implementation in July 2002 in twenty-four sites, and 15,299 beneficiaries were reached. Activities included: (1) providing STI/HIV/AIDS training for 315 health facility and community based providers; (2) psychosocial and economic support to 530 families and 302 orphans; and (3) 19 training sessions for 374 community agents. In addition, FDC awarded grants to nine local NGO partners that care for orphans and people living with AIDS, and carried out mass education activities through radio, newspaper, and television campaigns aimed at awareness and prevention.

4. Enabling Environment for Investment and Trade: Under this SO USAID aims to strengthen the GRM's capacity to formulate, negotiate and implement trade policy; build private sector capacity to engage in policy dialogues; and assist both the private and public sector to advance specific reforms in tax administration, alternative dispute resolution, telecommunication deregulation, labor law and other priority areas. The principal question in 2002 for USAID's main non-government partner for improving the business environment, the Confederation of Mozambique Business Associations (CTA), was how to establish reform processes that can overcome systemic inertia. Early in the year CTA negotiated a new procedural arrangement with government; for each of nine ministries, a joint committee was established, staffed by private sector leaders and high-level officials. The committees establish agendas, meet monthly on progress, and report semi-annually to the Prime Minister and annually (in a public meeting) to President Chissano. This system, which is accompanied by a CTA willingness to expose failure in the press, has led to government taking "dialogue" more seriously

Particularly notable in 2002 was the expansion of USAID involvement in telecommunications deregulation from exclusively Internet-related activities to the establishment of a two-person policy unit reporting to the Minister. This unit, working directly with the Minister to overcome resistance from the monopoly parastatal telephone company, proved critical to successful reform during the reporting period, as the GRM (1) awarded a second cellular license in July; (2) overcame regulator reluctance to take on the powerful parastatal fixed line monopoly over the issue of interconnection fees; and (3) established lines of communication with the private sector, including business consumers.

USAID disbursed \$4 million in non-project assistance (NPA) in September 2002, following government compliance with conditions that led to: (1) import tariffs - an earlier reduction from 35% to 30% of the high band tariff and implementation of the Southern Africa Development Conference Free Trade Agreement; (2) agricultural marketing - the removal of the agricultural marketing parastatal from all direct market interventions; (3) value added tax - successful implementation; and (4) import customs clearance times - reduced from four to two weeks.

Looking Ahead: FY 2003 marks a transition period to a new strategy. In FY 2004, the first year of a new country strategy, USAID will begin to pursue five new strategic objectives that foster sustained and more broad-based, poverty-reducing economic growth through agriculture and increased international trade,

stem the spread of HIV/AIDS, improve maternal and child health, and build constructive relations between citizens and their governance bodies. The new strategy will contribute significantly to overall peace and security in sub-Saharan Africa. U.S. assistance will continue to play an increasingly critical role in the country's future if the poor are to share in the benefits of growth and reform, and if Mozambique is to become fully integrated into the global economy.

Environmental Compliance: USAID has reviewed all strategic objectives and determined that all current activities are in compliance with initial IEEs. Screening of road works and monitoring of the environmental management planning process under ProAgri was carried out in FY 2002 and will continue in FY 2003. In addition, three P.L. 480 Title II funded PVOs have submitted IEE Amendments to be reviewed by USAID in FY 2003. The health team continues to monitor medical wastes from VCT centers and reporting on water quality; also Pesticide Evaluation Report and Safer Use Action Plans recommendations are being monitored closely in relation to malaria activities. The initial environmental screening and subsequent plan (completed in FY 2002) for International Disaster Assistance funded railroad reconstruction requires USAID, in FY 2003, to complete a Pesticide Analysis and Action Plan for the use of herbicides for weed control along the rail line.

Country Closeout & Graduation:

D. Results Framework

656-001 Increased rural household income in focus area

- IR 1.1 Increased access to markets
 - IR 1.1.1 Improved enabling environment for market activities
 - IR 1.1.2 Roads rehabilitated and maintained
 - IR 1.1.3 Expanded capacity to market and transport
 - IR 1.1.4 Market information and commodity trading system operational
- IR 1.2 Rural enterprises expanded
 - IR 1.2.1 Improved enabling environment for micro- and small enterprise
 - IR 1.2.2 Strengthened access to rural financial services
 - IR 1.2.3 Viable rural groups operating as microenterprises
 - IR 1.2.4 Increased market-based adoption of improved technologies by rural enterprises
- IR 1.3 Increased sustainable agricultural output
 - IR 1.3.1 Improved capacity of the Ministry of Agriculture to perform core functions
 - IR 1.3.2 Improved land tenure security
 - IR 1.3.3 Increased adoption of sustainable agricultural technologies
 - IR 1.3.4 Improved functioning of agricultural input markets

Discussion: IR 1.1.4: Market information and commodity trading system operational (information no longer collected under this Sub IR as new indicators were created to better capture data)

IR 1.2.1: Improved enabling environment for micro- and small enterprises (information no longer collected under this Sub IR as indicators reported directly under IR 1.2)

IR 1.2.3: Rural groups operating as profitable enterprises (reworded as: Rural enterprises' revenues increased)

IR 1.2.4: Increased market-based adoption of improved technologies by rural enterprises (information no longer collected under this Sub IR due to lack of emergence of new technology hence insignificant results)

IR 1.3.4: Improved functioning of agricultural input markets (information no longer collected under this Sub IR due to lack of reliable data source)

656-002 Government and civil society are effective partners in democratic governance at the national and local levels

- IR 2.1 Increased citizen participation in governance at the national and local levels
 - IR 2.1.1 Broadened and improved public discussion of key governance issues at local and national levels
 - IR 2.1.2 More sustainable electoral processes at national and local levels
- IR 2.2 Key democratic institutions are more effective and accountable
 - IR 2.2.1 Capacity of civil society organizations is strengthened
 - IR 2.2.2 Capacity of National Assembly is strengthened
 - IR 2.2.3 Improved access to and functioning of selected judicial mechanisms
 - IR 2.2.4 Elected municipal governments are effective and accountable
 - IR 2.2.5 Political parties are effective and accountable

Discussion: IR 2.2.4: Elected municipal governments are effective and accountable (information no longer collected under this Sub IR as USAID discontinued municipal development work)

656-003 Increased use of essential maternal and child health and family planning services in focus areas

- IR 3.1 Increased access to community-based services
 - IR 3.1.1 Supply of essential services to communities increased
 - IR 3.1.2 Service delivery and case management in provincial and district level MOH facilities improved
 - IR 3.1.3 Availability of quality HIV/AIDS/STD prevention and care services increased
- IR 3.2 Increased demand for community-based services
 - IR 3.2.1 Health knowledge increased and attitudes improved
 - IR 3.2.2 Community mobilization increased
 - IR 3.2.3 HIV/STD risk reduced through knowledge, motivation, skills
- IR 3.3 Strengthened management of decentralized services
 - IR 3.3.1 Financial management more efficient and transparent
 - IR 3.3.2 Increased availability and use of evidence-based analysis for policy making
 - IR 3.3.3 Public sector resource allocation better aligned with sector priorities
 - IR 3.3.4 Contraceptive logistics systems more efficient and transparent

Discussion: IR 3.1.1: Supply of essential services to communities increased (IR changed in FY 20000 to: Improved human resource and skill development among health care providers - information no longer collected under this Sub IR as PVOs moved to new focus areas and developed new indicators)

656-004 Improved enabling environment for private sector-led growth and development

- IR 4.1 Increased private sector role in development of economic policy, legislation, and regulations
 - IR 4.1.1 Effective and informed private sector voice in policy formulation
 - IR 4.1.2 Stronger representative private business institutions
 - IR 4.1.3 Reliable commercial Internet services available
- IR 4.2 Improved policies and facilities encourage trade and investment
 - IR 4.2.1 Petty bureaucratic requirements eliminated
 - IR 4.2.2 Business-friendly tax system implemented
 - IR 4.2.3 Major rail and port infrastructure privatized
 - IR 4.2.4 Alternative dispute resolution procedures operational

Discussion:

656-005 Rural income growth accelerated

Discussion:

656-006 Labor-intensive exports increased

Discussion:

656-007 Use of quality health services increased

Discussion:

656-008 Behaviour changes enhance HIV/AIDS prevention and care

Discussion:

656-009 Potential for conflict reduced through improved citizen-government interaction

Discussion:

Selected Performance Measures - Mozambique

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Indicator (all data should pertain to FY or CY 02)	OU Response	Significant Result: Description of the significant result for a strategic objective	Data Quality Factors: Information relevant to the collection of this indicator data, e.g. "this data was not collected last year because it is only collected every five years."
Pillar I: Global Development Alliance			

Did your operating unit achieve a significant result working in alliance with the private sector or NGOs?

656-002 Government and civil society are effective partners in democratic governance at the national and local levels	Yes			Institutional strengthening of the only grant making foundation, FDC, in Mozambique through partnership with the SYNERGOS Foundation. The president of SYNERGOS accompanied Graça Machel to the United States on a fundraising campaign for FDC where +/- \$1,000,000 was pledged to the Foundation.
656-004 Improved enabling environment for private sector-led growth and development	No			
a. How many alliances did you implement in 2002? (list partners)	1			
b. How many alliances do you plan to implement in FY 2003?	2			
What amount of funds has been leveraged by the alliances in relationship to USAID's contribution?	\$1,000,000 +/-			

Pillar II: Economic Growth, Agriculture and Trade
USAID Objective 1: Critical, private markets expanded and strengthened

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

656-001 Increased rural household income in focus area	No			<p>Prior to the promotion of marketing activities price differences in various markets had little relation to one another. A turnaround has been recorded in the USAID focus area. In 2002 the spatial retail price margins for maize continued their downward trend indicating the tendency towards equilibration of prices across markets, market integration, and that reliable market information is being disseminated and utilized in the USAID focus area.</p> <p style="text-align: right;">Ministry of Agriculture and Rural Development / MSU Market Information System (SIMA)</p>
656-004 Improved enabling environment for private sector-led growth and development	Yes			<p>Number of areas where private sector provided policy positions; plus evidence that GRM is taking the PS more seriously</p> <p style="text-align: right;">CTA records for #. Quality of GRM response based on incorporation of PS positions in regulation and law.</p>

USAID Objective 2: More rapid and enhanced agricultural development and food security encouraged

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

656-001 Increased rural household income in focus area	Yes			Despite drought conditions farmers within the USAID focus area witnessed a nearly three fold increase in maize exports. Maize yields for farmers assisted by three USAID funded PVO programs averaged 1.66mt/ha in FY 2002 nearly double the average maize yield of 0.897 mt/ha reported for Mozambique in FY 2001.	Data aggregated by USAID from Title II PVO annual reports in addition to FAO reports.
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USAID Objective 3: Access to economic opportunity for the rural and urban poor expanded and made more equitable

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

656-001 Increased rural household income in focus area	No			FY 2002 marked the first year in post colonial history that credit was extended to AREs (Assisted Rural Enterprise) by Mozambican financial institutions. A total of \$118,000 was extended to 23 AREs receiving technical assistance from CLUSA, a USAID funded PVO. With credit, associations are realizing margins of up to 35% on their transactions, previously they averaged 10%.	Data aggregated by CLUSA from AREs annual/quarterly reports.
656-004 Improved enabling environment for private sector-led growth and development	Yes			Labor regulations redrafted to provide more opportunities in the formal sector.	

USAID Objective 4: Access to quality basic education for under-served populations, especially for girls and women, expanded

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

a. Number of children enrolled in primary schools affected by USAID basic education programs (2002 actual)	0 Male	0 Female	0 Total	
b. Number of children enrolled in primary schools affected by USAID basic education programs (2003 target)	Male	Female	Total	

USAID Objective 5: World's environment protected by emphasizing policies and practices ensuring environmentally sound and efficient energy use, sustainable urbanization,

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

656-001 Increased rural household income in focus area	Yes			USAID input has been critical in ensuring that a solid framework of environmentally sound policies is included in the overall PROAGRI framework as implemented by the Ministry of Agriculture and Rural Development (MADER). To this extent the building blocks have been laid for protecting the environment through policy creation and implementation of activities.	ProAgri progress reports.
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656-004 Improved enabling environment for private sector-led growth and development	N/A			FY 2002 marked the first year in which company level environmental audits were conducted in Mozambique. The audits were carried out by the Cleaner Production Center which is overseen by the Business Forum for the Environment (FEMA), a USAID funded association comprised of over 100 private businesses designed to serve as a representative association and advocate on environmental issues.	Quality of the audits varied depending upon cooperation from the business managers and the composition of the audit team. FEMA will continue to build the skills of the Cleaner Production Center to carry out more efficient audits in addition to following up with company managers to ensure implementation of audit findings.
a. Hectares under Approved Management Plans (2002 actual)	0				
b. Hectares under Approved Management Plans (2003 target)	0				

Pillar III: Global Health

USAID Objective 1: Reducing the number of unintended pregnancies

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

656-003 Increased use of essential maternal and child health and family planning services in focus areas	No				
Percentage of in-union women age 15-49 using, or whose partner is using, a modern method of contraception at the time of the survey. (DHS/RHS)	%				Statistics on this indicator are collected via DHS. The next collection is 2003.

USAID Objective 2: Reducing infant and child mortality

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

656-003 Increased use of essential maternal and child health and family planning services in focus areas	No				
Percentage of children age 12 months or less who have received their third dose of DPT (DHS/RHS)	0 Male	0 Female	Total		Statistics on this indicator are collected via DHS. The next collection is 2003.
Percentage of children age 6-59 months who had a case of diarrhea in the last two weeks and received ORT (DHS/RHS)	0 Male	0 Female	Total		Statistics on this indicator are collected via DHS. The next collection is 2003.
Percentage of children age 6-59 months receiving a vitamin A supplement during the last six months (DHS/RHS)	Male	Female	Total		Statistics on this indicator are collected via DHS. The next collection is 2003.
Were there any confirmed cases of wild-strain polio transmission in your country?	No				Mozambique has been free of wild-strain polio for the last 6 years

USAID Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

Percentage of births attended by medically-trained personnel (DHS/RHS)	0%				Statistics on this indicator are collected via DHS. The next collection is 2003.
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USAID Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

656-003 Increased use of essential maternal and child health and family planning services in focus areas	Yes			USAID has contributed to the multi-funded effort of establishing 25 VCT during FY 2002, up from 2 established sites in FY 2001. Additionally, USAID has funded, through PSI, media campaigns designed to create awareness of the disease and prevention methods.
a. Total condom sales (2002 actual)	14355470			Total sales in 2002 represent a significant increase over 2001 sales, 11,216,714, and surpasses targeted sales of 11,500,000 for the reporting period. These national figures are based on (i) actual deposit of money into USAID grantee PSI bank account by provincial sales agents; (ii) condom distribution during training sessions or to NGOs conducting HIV/AIDS awareness campaigns; and (iii) clinic packs distributed through STI clinics throughout the country.
b. Total condom sales (2003 target)	12000000			These national figures are based on (i) actual deposit of money into USAID grantee PSI bank account by provincial sales agents; (ii) condom distribution during training sessions or to NGOs conducting HIV/AIDS awareness campaigns; and (iii) clinic packs distributed through STI clinics throughout the country.
National HIV Seroprevalence Rates reported annually (Source: National Sentinel Surveillance System)	0%			The MOH bases seroprevalence rates on information gathered from 36 sentinel sites established throughout the country. The number of sites has grown from only 4 in 1998 and 20 in 2000. USAID provides funding support to the Policy Project which coordinates these efforts and provides training to technical staff. Figures for 2002 were not calculated rather 2001 statistics are used by the MOH for reporting purposes. The next collection is 2003.
Number of sex partners in past year (Source: national survey/conducted every 3-5 years)per DHS or other survey)	0			Statistic on this indicator are collected via DHS. The next collection is 2003
Median age at first sex among young men and women (age of sexual debut) ages 15-24 (Source: national survey/conducted every 3-5 years) per DHS or other survey)	0 Male	0 Female	0 Total	Statistic on this indicator are collected via DHS. The next collection is 2003
Condom use with last non-regular partner (Source: national survey/conducted every 3-5 years)per DHS or other survey)	0%			Statistic on this indicator are collected via DHS. The next collection is 2003

Number of Clients provided services at STI clinics	0			<p>In FY 2002, 293,398 diagnosed cases plus 85,312 partner tests were recorded. This is a significant increase, almost double, in relation to FY 2001 statistics recording 147,385 diagnosed cases plus 38,715 partner tests. MOH clinics report information on the number of STI cases diagnosed and the number of partners tested, but not on the number actually treated. The activities of the clinics in STI prevention and diagnosis are directly supported by a USAID grant awarded to PSI.</p>
Number of STI clinics with USAID assistance	0			<p>Mozambique has not adopted this protocol although the Minister of health has mandated that STI diagnosis (clinical) and treatment be available at all health facilities throughout the country. USAID resources for STI awareness activities, awarded as a grant to PSI, cover 10 of the 11 Provinces in Mozambique. Zambezia, the remaining Province, will be assisted in FY 2003.</p>
Number of orphans and other vulnerable children receiving care/support	302			<p>USAID resources for orphans/vulnerable children were granted to the Mozambican Foundation for Community Development who awarded subgrants to qualified PVOs/NGOs working in this field. Activity implementation began in June 2002. IN FY 203 FDC has proposes providing a grant to the Anglican Church in Xai Xai to provide vocational training for youth in addition to establishing an implementing/management unit in 2 provinces to oversee and provide money to small local CBOs and NGOs to deliver services in the area of OVC. The messages transmitted to OVCs include emphasizing the importance of education, family structure and education. Data aggregated by FDC from subgrantee annual reports.</p>

Number of Orphans and Vulnerable Children programs with USAID assistance	2			USAID resources for orphans/vulnerable children were granted to the Mozambican Foundation for Community Development who awarded subgrants to qualified PVOs/NGOs working in this field. Activity implementation began in June 2002. IN FY 203 FDC has proposes providing a grant to the Anglican Church in Xai Xai to provide vocational training for youth in addition to establishing an implementing/management unit in 2 provinces to oversee and provide money to small local CBOs and NGOs to deliver services in the area of OVC. The messages transmitted to OVCs include emphasizing the importance of education, family structure and education.
Number of community initiatives or community organizations receiving support to care for orphans and other vulnerable children	0			See above.
Number of USAID-supported health facilities offering PMTCT services	0			Mozambique has not adopted this protocol although some counseling is available in the 27 established VCT centers.
Number of women who attended PMTCT sites for a new pregnancy in the past 12 months	0			
Number of women with known HIV infection among those seen at PMTCT sites within the past year.	0			
Number of HIV-positive women attending antenatal clinics receiving a complete course of ARV therapy to prevent MTCT (UNGASS National Programme & Behavior Indicator #4)	0			Mozambique has not adopted this protocol.
Number of individuals reached by community and home-based care programs in the past 12 months	530			USAID funding for community and home based care were granted to the Mozambican Foundation for Community Development who awarded subgrants to qualified PVOs/NGOs working in this field. Activity implementation began in June 2002.Data aggregated by FDC from subgrantee annual reports and refers to number of families.
Number of USAID-assisted community and home-based care programs	2			USAID funding for community and home based care were granted to the Mozambican Foundation for Community Development who awarded subgrants to qualified PVOs/NGOs working in this field. Activity implementation began in June 2002.Data aggregated by FDC from subgrantee annual reports and refers to number of subgrants.

Number of clients seen at Voluntary Counseling and Testing (VCT) centers	24206				This number represents the total number of clients seen in the 27 VCT centers nationwide. Data from MOH annual reports.
Number of VCT centers with USAID assistance	4				Mozambique has established 27 VCT centers throughout the country. USAID has funded 4 centers and social marketing of VCT services through a grant awarded to PSI (Population Services International). Due to high demands for services at the VCTs, USAID will fund two additional sites in FY 2003.
Number of HIV-infected persons receiving Anti-Retroviral (ARV) treatment	0				USAID has not adopted this treatment protocol although the treatment protocol has been adopted by the GRM yet implementation has not begun on a large scale due to funding constraints. The MOH has procured ARVs for 130 individuals for a one year period, the beneficiaries have yet to be identified. Small scale efforts outside the MOH are taking place within the private sector where businesses are evaluating antiretroviral workplace programs in addition to the World Bank which has pledged to make ARVs available to all health care professionals in FY 2003.
Number of USAID-assisted ARV treatment program	0				See above.
a. Number of individuals treated in STI programs (2002 actual)	0 Male	0 Female	0 Total		In FY 2002, 293,398 diagnosed (clinically) cases plus 85,312 partner tests were recorded. This is a significant increase, almost double, in relation to FY 2001 statistic recording 147,385 diagnosed cases plus 38,715 partner tests recorded. MOH clinics report information on the number of STI cases diagnosed and the number of partners tested, but not on the number actually treated.
b. Number of individuals treated in STI programs (2003 target)	0 Male	0 Female	0 Total		See above.
a. Is your operating unit supporting an MTCT program?	No				Mozambique adopted a task force and is working towards policy implementation. A pilot program, implemented by HAI, was approved by the government and began implementation in FY 2002 in the Province of Sofala. USAID will fund PVOs/NGOs MTCT start up programs in FY2003.
b. Will your operating unit start an MTCT program in 2003?	Yes				See above.

a. Number of individuals reached by community and home based care programs (2002 actual)	0 Male	530 Female	530 Total		USAID resources for community and home based care were granted to the Mozambican Foundation for Community Development who awarded subgrants to qualified PVOs/NGOs working in this field. Activity implementation began in June 2002. A family, according to FDC, is constituted of 6 individuals (this includes extended family).Data aggregated by FDC from subgrantee annual reports and represents the number of families.
b. Number of individuals reached by community and home based care programs (2003 target)	0 Male	2,600 Female	2,600 Total		USAID resources for community and home based care were granted to the Mozambican Foundation for Community Development who awarded subgrants to qualified PVOs/NGOs working in this field. Activity implementation began in June 2002. A family, according to FDC, is constituted of 6 individuals (this includes extended family).Data aggregated by FDC from subgrantee annual reports and represents the number of families.
a. Number of orphans and vulnerable children reached (2002 actual)	0 Male	302 Female	302 Total		USAID resources for orphans/vulnerable children were granted to the Mozambican Foundation for Community Development who awarded subgrants to qualified PVOs/NGOs working in this field. Activity implementation began in June 2002. IN FY 203 FDC has proposes providing a grant to the Anglican Church in Xai Xai to provide vocational training for youth in addition to establishing an implementing/management unit in 2 provinces to oversee and provide money to small local CBOs and NGOs to deliver services in the area of OVC. The messages transmitted to OVCs include emphasizing the importance of education, family structure and education.Data aggregated by FDC from subgrantee annual reports.
b. Number of orphans and vulnerable children reached (2003 target)	0 Male	900 Female	900 Total		See above.

a. Number of individuals reached by antiretroviral (ARV) treatment programs (2002 actual)	0 Male	0 Female	0 Total	USAID has not adopted this treatment protocol and does not intend to in FY 2003 although the treatment protocol has been adopted by the GRM yet implementation has not begun on a large scale due to funding constraints. The MOH has procured ARVs for 130 individuals for a one year period, the beneficiaries have yet to be identified. Small scale efforts outside the MOH are taking place within the private sector where businesses are evaluating antiretroviral workplace programs in addition to the World Bank who has pledged to make ARVs available to all health care professionals.
b. Number of individuals reached by antiretroviral (ARV) treatment programs (2003 target)	0 Male	0 Female	0 Total	See above.

USAID Objective 5: Reducing the threat of infectious diseases of major public health importance

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

656-003 Increased use of essential maternal and child health and family planning services in focus areas	Yes			Through a contract awarded to JSI, USAID provided technical assistance to support surveillance, drug efficacy tests (for malaria, intended to lead to policy change), and capacity building. Efforts resulted in better preparedness for epidemic response by the MOH with the creation of trained response teams in all eleven provinces with emergency response plans in place. Mozambique has witnessed a reduction in the case fatality rates of cholera (4.2% in 1999 vs. 1.1% in 2002). A reduction in the cases of malaria to 10 cases per 1000 per annum was recorded in Maputo Province where USAID has provided extensive training in dual intervention through both parasite reduction and vector mosquito control.
a. Number of insecticide impregnated bed-nets sold (Malaria) (2002 actual)				Although USAID does not finance this effort, 119,00 nets were sold in 2002, mainly by USPVO Population Services International (PSI) and to a lesser extent by other PVOS. While bednets are a component of the GRM malaria control program, the government is not involved in sales or pretreatment and does not keep national statistics on this indicator.
b. Number of insecticide impregnated bed-nets sold (Malaria) (2003 target)				
a. Proportion of districts implementing the DOTS Tuberculosis strategy (2002 actual)	100%			Mozambique adopted this treatment protocol in 1991 (please note the correction from information reported in last years AR) although USAID does not finance this effort.

b. Proportion of districts implementing the DOTS Tuberculosis strategy (2003 target)	100%				Mozambique adopted this treatment protocol in 1991 (please note the correction from information reported in last years AR) although USAID does not finance this effort.
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Pillar III: Democracy, Conflict and Humanitarian Assistance

USAID Objective 1: Strengthen the rule of law and respect for human rights

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

656-002 Government and civil society are effective partners in democratic governance at the national and local levels					
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USAID Objective 2: Encourage credible and competitive political processes

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

656-002 Government and civil society are effective partners in democratic governance at the national and local levels	Yes			Through NDI Frelimo has used technical assistance to establish more sophisticated use of polling for message development, increased discussion with different interest groups and developing more efficient internal records and communications systems. Renamo has begun to implement very basic internal democratic practices and new more effective organizational and administrative procedures due to technical assistance received through NDI.	The indicator is measured by the implementing partner, NDI, undertaking a quality assessment on a qualitative scale of low, medium and high.
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USAID Objective 3: Promote the development of politically active civil society

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

656-002 Government and civil society are effective partners in democratic governance at the national and local levels	Yes			USAID is the only donor supporting civil society organizations such as Etica Mozambique, business associations and the media in putting pressure on government to be more active in fighting corruption. Civil society is demonstrably more vocal on issues of corruption and government misconduct - a 24% increase over FY 01 in the level of media reporting misconduct. In addition USAID assisted in forming the first anti-corruption NGO in Mozambique to raise awareness and generate social response to visible problems of corruption.	Annual assessment based on media reports. At least two media reports must be cited, of which at least one indicates an investigation has been launched by an appropriate government institution.
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USAID Objective 4: Encourage more transparent and accountable government institutions

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

656-002 Government and civil society are effective partners in democratic governance at the national and local levels	Yes			USAID support helped established a new, specialized anti-corruption prosecutorial unit in the Office of the Prosecutor General. Six prosecutors were hired and provided with intensive training through coordinated USG support.	
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USAID Objective 5: Mitigate conflict

Did your program in a pre-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?

Did your program in a post-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?

Number of refugees and internally displaced persons assisted by USAID

Male	Female	Total
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USAID Objective 6: Provide humanitarian relief

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

656-001 Increased rural household income in focus area

Yes		
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IDA reconstruction funding promises results in substantial long-term development gains. This is possible through FEWSNET playing a leadership role in monitoring climate change - over 1.5 million people covered by new cyclone and flood early warning systems; ICRISAT linking sources of improved planting cereal and legume seeds with rural merchants and farmer producer associations and SARRNET brining expertise in root crops that are drought resistant and rich in vitamin A. MADER has incorporated these programs into their priority action list as well as into their budget. In addition, loans continue to be given to small businesses throughout the country under the ACT Project.

Number of beneficiaries

24669		
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275(loans)-ACT; 24,669(families)-SAARNET

Crude mortality rates

%		
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Child malnutrition rates

%		
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Did you provide support to torture survivors this year, even as part of a larger effort?

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Number of beneficiaries (adults age 15 and over)

Male	Female	Total
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Number of beneficiaries (children under age 15)

Male	Female	Total
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